

MEMORANDUM FOR: General Counsel

DEC 9 1952

TO: Comptroller

SUBJECT: HR 5118, Proposal for Extending Unemployment Insurance to Federal Civilian Workers, 1952.

REFERENCE: Memorandum to General Counsel on S.3477, dated 22 October 1952.

1. This Office has reviewed HR 5118, a Bill to extend unemployment insurance coverage to Federal civilian workers.
2. In its analysis of HR 5118, the Ad Hoc Committee on Unemployment Insurance Procedures of the Federal Personnel Council, indicates the following proposed characteristics of the Bill:
 - a. Federal workers would receive unemployment benefits on the same basis as if they had been in private employment. The program would be administered by State employment security agencies who would determine benefit rights on the basis of reports of wages and cause of separation from Federal agencies, similar to those required from private employers. Federal administrative responsibility for issuing rules, regulations, and procedures under the program would be vested with the Secretary of Labor; heads of Federal agencies would be responsible for furnishing needed information to State agencies.
 - b. Individuals, who through no fault of their own, become unemployed, would be eligible for unemployment insurance benefits providing that:
 - (1) the period in which they are covered by lump-sum accrued annual leave payment has expired;
 - (2) they do not leave their jobs voluntarily without good cause;
 - (3) they do not refuse suitable work without good reason; and
 - (4) they are not discharged for misconduct involving their work.

25X1

3. HR 5118 is similar in purpose to the proposed S.3477 (Severance Pay Bill) in that both Bills provide compensation to Federal employees for loss of employment. The Bills vary, however, in their scope, benefits, conditions of eligibility and coverage. The Severance Pay Bill provides for immediate compensation for loss of employment through the medium of a lump-sum payment based on the nature and extent of service performed by the employee. The unemployment insurance proposal, on the other hand, is limited to those individuals who are unable to find suitable reemployment in a reasonable period of time and would be paid at a given amount up to a maximum number of weeks. Although each Bill undoubtedly has distinctive merits, the advantages which Agency personnel would receive under each would depend upon the nature of each individual case. S.3477 appears to have the greater over-all merit for this Agency. The effect of the two separate Bills on the CIA would be similar in respect to general security considerations. In content, both Congressional proposals require the dissemination of personnel records to focal points outside the Agency.

4. In reference to the memorandum to the General Counsel dated 22 October 1952, it is felt that this Agency should still seek the inclusion of a provision in S.3477 which would permit the Director of Central Intelligence to grant severance pay as an administrative matter, in the event the General Counsel is of the opinion that P.L. 110 cannot be interpreted to provide sufficient authority to accomplish this purpose. However, if favorable consideration is given in Congress to HR 5118, the Agency should also be protected in this proposal through provision for internal authority as stated above.

[REDACTED]
W. H. H. MORRIS, JR.

Assistant Director (Personnel)

25X1

25X1

ROUTING AND RECORD SHEET

INSTRUCTIONS—Officer designations should be used in the "TO" column. Under each comment a line should be drawn across sheet and each comment numbered to correspond with the number in the "TO" column. Each officer should initial (check mark insufficient) before further routing. This Routing and Record Sheet should be returned to Registry.

FROM:

Assistant Director (Personnel) *Wmm, 2*

NO.

DATE

9-12-52

TO	ROOM NO.	DATE		OFFICER'S INITIALS	COMMENTS
		REC'D	FWD'D		
1. General Counsel	317-A South	<i>11 Dec</i>			<p>Request action if and when necessary to achieve recommendations in this memorandum.</p> <p><i>Insurance - #10</i> <i>Unemployment Compensation</i></p>
2. THRU: Comptroller	209 Central		<i>10 Dec.</i>	<i>RHF</i>	
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					